

**ONE HUNDRED FIRST LEGISLATURE - SECOND SESSION - 2010**  
**COMMITTEE STATEMENT**  
**LB1032**

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**Hearing Date:** Thursday February 18, 2010  
**Committee On:** Revenue  
**Introducer:** Dierks  
**One Liner:** Change tax levy authority relating to natural resources districts

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

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**Vote Results:**  
**Aye:** 7 Senators Adams, Cornett, Dierks, Hadley, Louden, Utter, White  
**Nay:**  
**Absent:**  
**Present Not Voting:** 1 Senator Pirsch

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<b>Proponents:</b>	<b>Representing:</b>
Senator Cap Dierks	Introducer
Kristen Gottschalk	Nebraska Rural Electric Assn.
Dennis Schueth	Upper Elkhorn NRD
John K. Hansen	Nebraska Farmers Union

**Opponents:** **Representing:**

**Neutral:** **Representing:**

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**Summary of purpose and/or changes:**

LB 1032 would allow a qualified natural resources district (NRD) "that received a preliminary or final determination of fully appropriated and a status change occurs" pursuant to Neb. Rev. Stat. sec. 46-714 to levy an additional property tax of up to three cents per \$100 of taxable value for purposes of administering and implementing ground water management activities and integrated management activities under the Nebraska Ground Water Management and Protection Act. Additionally, the bill would make a coordinating change to the property tax levy limits set forth in Neb. Rev. Stat. sec. 77-3442(4)(c). The authority to levy such additional property tax would sunset after Fiscal Year 2011-12.

Section 1: Would amend Neb. Rev. Stat. sec. 2-3225 to allow a NRD located in a river basin, subbasin, or reach that has been determined to be (1) fully appropriated pursuant to Neb. Rev. Stat. sec. 46-714, (2) designated overappropriated pursuant to Neb. Rev. Stat. sec. 46-713 by the Department of Natural Resources, or (3) that received a preliminary or final determination of fully appropriated and a status change occurs pursuant to Neb. Rev. Stat. sec. 46-714 to levy an additional property tax of up to three cents per \$100 of taxable value for purposes of administering and implementing ground water management activities and integrated management activities under the Nebraska Ground Water Management and Protection Act. The authority to levy such additional property tax would sunset after Fiscal Year 2011-12.

Section 2: Would amend Neb. Rev. Stat. sec. 77-3442(4)(c), which sets forth property tax levy limitations, to coordinate with the changes proposed to be made by section 1 of the bill. Specifically, it would allow a NRD located in a river basin, subbasin, or reach that has been determined to be (1) fully appropriated pursuant to Neb. Rev. Stat. sec. 46-714, (2) designated overappropriated pursuant to Neb. Rev. Stat. sec. 46-713 by the Department of Natural Resources, or (3)

that received a preliminary or final determination of fully appropriated and a status change occurs pursuant to Neb. Rev. Stat. sec. 46-714 to exceed its property tax levy limit to accommodate an additional property tax of up to three cents per \$100 of taxable value for purposes of administering and implementing ground water management activities and integrated management activities under the Nebraska Ground Water Management and Protection Act. The authority to levy such additional property tax would sunset after Fiscal Year 2011-12.

Section 3: Would reenact statute sections amended by the bill.

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**Explanation of amendments:**

The Revenue Committee amendment to LB 1032 extends the sunset date under current law from fiscal year 2011-12 to fiscal year 2016-17 for purposes of both:

(1) The authority given by Neb. Rev. Stat. Sec. 2-3225(1)(c) to certain natural resources districts to levy the additional property tax of up to three cents per \$100 of taxable value within the natural resources district, as provided for by current law, and to exceed their restricted funds budgeted to administer and implement certain ground water management activities and integrated management activities, as provided for by current law; and

(2) The authority given by Neb. Rev. Stat. Sec. 77-3442(4)(c) to certain natural resources districts to exceed their property tax levy limit for purposes of levying the additional property tax of up to three cents per \$100 of taxable value within the natural resources district, as provided for by current law.

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Abbie Cornett, Chairperson